

Memorandum

To: Contracts Office

Date : August 16, 2010

Telephone: CALNET (916) 654 4086

From : **California Energy Commission - (EERE – HPBSD)**
1516 Ninth Street
Sacramento CA 95814-5512

Subject : Technical Support to the Comprehensive Energy Efficiency Program for Residential and Nonresidential Buildings

- A. Contractor: Portland Energy Conservation Incorporated (PECI)
- B. Contract Manager and date Contract Managers Training was obtained: Martha Brook, 06/26/08
- C. Term of Contract: November 1, 2010 – March 31, 2013
- D. Amount funded by this contract and funding source: \$1,500,000 (Federal ARRA & ERPA)
- E. Purpose of Contract:
AB 758 (Chapter 470, Statutes of 2009) requires the Energy Commission to develop and implement a comprehensive program to achieve greater energy savings in the state of California's existing residential and nonresidential building stock. The Energy Commission will conduct regulatory proceedings to establish the program, entitled the "Comprehensive Energy Efficiency Program for Existing Residential and Nonresidential Buildings". The purpose of this contract is to provide technical support to aid the Commission in the development and implementation of the program. The Contractor will assist the Energy Commission with development of the following:
 - Needs assessments for energy efficiency improvements in residential and nonresidential buildings;
 - Technical guidance for Phase Two of the Home Energy Rating System (HERS II);
 - A Building Energy Asset Rating System (BEARS) for nonresidential buildings;
 - Residential and nonresidential rating and disclosure programs;
 - Residential and nonresidential efficiency improvement programs;
 - Approaches to reduce barriers to efficiency financing and tax credits for newly constructed affordable housing;
 - Streamlined permitting processes for alterations of existing residential buildings;
 - Approaches to evaluate and recommend improvements to the program; and
 - Additional program components requiring technical expertise.
- F. Scope of Work - attached as Exhibit A - Scope of Work (includes deliverables and due dates):
- G. Budget Detail - attached as Exhibit B - Budget Detail.
 - 1. Contract budgets must contain the following:

- a. Personal services cost showing individual or position rates per unit of time;
- b. Fringe benefits costs citing actual benefits or a percentage of personal services costs;
- c. Operating expenses including rent and supplies;
- d. Type and cost of equipment to be bought and the disposition of equipment at the end of the contract.
- e. Travel expenses;
- f. Overhead;
- g. Other specific breakdown required per contract.

2. What payment method are we paying Contractor? Choose all that apply

a. ☒ Reimbursement in arrears based on:

- ☒ Itemized Monthly ☐ Itemized Quarterly ☐ Flat Rate
☐ One-time Payment

b. ☐ Advanced Payment ☐ Receiving Funds from other entity
☐ Other, explain _____

3. Do you anticipate retention to be released prior to the end of the Contract? If so, identify in Budget Detail what tasks are separate and distinct.

☐ Yes ☒ No

The Contractor requests that the Energy Commission pay up to 90% of the agreement amount before the end of the agreement instead of withholding retention from each invoice.

H. Selection Process Used:

- ☒ Solicitation using RFP, RFQ, IFB or PON
☐ Sole Source (attach sole source memo)
☐ Other government entity (i.e., state agency, federal or local government, air/water/school district)
☐ Other (explain) _____

I. Survey of Prior Work: It is not appropriate to conduct a survey of prior work for a technical support contract.

J. Civil Service Considerations: Due to the breadth and technical nature of the proposed work, there is a need to use a substantial number of individuals who together have knowledge of a broad range of energy efficiency topics and/or experience with energy efficiency programs. We believe the depth and breadth of this knowledge and experience does not exist in state service; the Energy Commission itself has a small fraction of the talent needed, and no other agency has the talent we will secure under this technical support agreement. As a result, this work could not be properly performed by civil service employees.

K. Information Technology Expenditures: None

L. California Environmental Quality Act (CEQA) Compliance:

NOTE: The Energy Commission Contract Manual includes detailed instructions on how to complete this section, with examples of contracts that **are "Projects"** and **are not "Projects"**. When Contract Manager is completing this section, if questions arise as to the appropriate answers to the questions below, please consult with the Energy Commission attorney assigned to review contracts for your division.

1) Is contract considered a "Project" under CEQA?

☐ Yes ☒ No

If yes, skip to question 2.

If no, please complete the following (Public Resources Code (PRC) 21065 and 14 California Code of Regulations (CCR) 15378):

Explain why is contract not considered a "Project"? Contract will not cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because contract involves technical analysis, data collection and developing policy recommendations for future energy efficiency programs.

2) If contract is considered a "Project" under CEQA:

a) ☐ Contract **IS** exempt

Check the appropriate exemption box and fill in the section number of the exemption.

☐ Statutory Exemption. List PRC and/or CCR section number: _____

☐ Categorical Exemption. List CCR section number: _____

☐ Common Sense Exemption. 14 CCR 15061(b)(3)

Explain reason why contract is exempt under the above section: _____

Please attach draft Notice of Exemption (NOE). Consult with the Energy Commission attorney assigned to your division for instructions on how to complete the NOE.

b) ☐ Contract **IS NOT** exempt. The Contract Manager needs to consult with the Energy Commission attorney assigned to your division and the Siting Office regarding a possible Initial Study.

M. Disabled Veteran Business Enterprise Program:

☒ Meets DVBE Requirements

☐ Requesting DVBE Exemption (attach Sole Source/DVBE exemption memo)

N. Is Contractor a certified Small Business?

☐ Yes

☒ No

O. Is Contractor subcontracting **any** services? If so, list them and identify if they are a certified Small Business?

☒ Yes

☐ No

Benningfield Group, Inc.
Architectural Energy Corporation
New Buildings Institute
Institute for Market Transformation
Earth Advantage Institute
Paragon Consulting Services
CalCERTS
Douglas Beaman Associates
Bedrosian & Associates (DVBE)

P. Miscellaneous Contract Information:

- 1) Will there be Work Authorizations? ☒ Yes ☐ No
- 2) Is the contractor providing confidential information? ☐ Yes ☒ No
- 3) Is the contractor going to purchase equipment? ☐ Yes ☒ No
- 4) Will progress reports be required? If so, check frequency:
☒ Monthly ☐ Quarterly ☐ other (please describe) _____
- 5) Will a final report be required? ☒ Yes ☐ No
- 6) Are resumes attached for all consultants ☒ Yes ☐ No
- 1) Is the contract, with amendments, longer than a year? If so, why? The technical support will be required for multiple years to develop and implement this comprehensive energy efficiency program.
- 2) What basis did you use to determine that the price, or rate, is reasonable?
Be specific, this is required by DGS. Describe the steps you took to compare rates between firms i.e., did you conduct a phone survey? If only one bid was opened, in an RFP solicitation, you must state why that rate or price is reasonable: There were technical scoring criteria in the solicitation that evaluated the reasonableness and appropriateness of the rates in this proposed contract. The rates of this contractor and their subcontractors were compared to current rates used by current Commission technical support contractors and found to be comparable.